

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

CONSENT ORDER

November 30, 2018

D.P.U. 18-PL-03

In the matter of Bay State Gas Company d/b/a Columbia Gas of Massachusetts

I. JURISDICTION

1. This document, with the attached Compliance Agreement, is a Consent Order entered into between the Pipeline Engineering and Safety Division ("Division") of the Department of Public Utilities ("Department") and Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Respondent"), and it is executed in accordance with 220 CMR 69.08.
2. The Division has authority to enter into this Consent Order on behalf of the Department pursuant to Delegation Order, D.P.U. 18-44-A (2018).
3. Failure to comply with the terms of this Order may result in the assessment of civil penalties and referral of this matter to the Attorney General for appropriate action.
4. The terms and conditions of this Order become effective upon signing by the authorized representatives of the Respondent and the Department.
5. Respondent has stipulated and consented to the issuance of this Consent Order.

II. VIOLATIONS AND CIVIL PENALTY

1. Pursuant to G.L. c. 164, §§ 76 and 105A, and 220 CMR 69.02, the Division conducted a pipeline safety inspection of the Respondent's facilities and records. As a result of the inspection, the Director of the Division issued to the Respondent a Notice of Probable Violation ("NOPV"), D.P.U. 18-PL-03, dated March 14, 2018 in accordance with 220 CMR 69.03. The NOPV is attached hereto and made a part hereof.
2. Based on information contained in the NOPV and gathered during the informal review, the Division finds that the Respondent violated pipeline safety regulations contained in 49 C.F.R. Part 192 ("Part 192"), specifically:

Part 192, § 192.201(a)(2)(i) Required capacity of pressure relieving and limiting stations.

Part 192, § 192.739(a) Pressure limiting and regulating stations: Inspection and testing.

Part 192, § 192.195(b)(2) Protection against accidental overpressuring.

Part 192, § 192.603(b) General provisions.

Part 192, § 192.13(c) What general requirements apply to pipelines regulated under this part?

Part 192, § 192.605(b)(1) Procedural manual for operations, maintenance, and emergencies.

3. Pursuant to G.L. c. 164, § 105A, the Division hereby imposes upon the Respondent a civil penalty in the amount of \$75,000 for the above-noted violations.
4. The Respondent hereby agrees, upon signing and returning this Consent Order to the Division, to remit payment of the civil penalty by check or money order in the amount of \$75,000 made payable to the Commonwealth of Massachusetts, One South Station, Boston, MA 02110.

III. RESPONDENT REQUIREMENTS

1. **Respondent shall sign the Stipulation below and return this complete document to the Division along with payment of the civil penalty.**
2. All submissions by Respondent in accordance with this Consent Order shall be addressed to:

Director
Pipeline Engineering and Safety Division
Department of Public Utilities
One South Station
Boston, MA 02110

IV. STIPULATED TERMS

Pursuant to 220 CMR 69.08(1), the Respondent through the signature below, by the person to whom this Consent Order is issued or a duly authorized representative, acknowledges agreement to the terms contained herein without admitting or denying that a violation of any Department or federal pipeline safety law or regulation occurred in relation to the above-noted matters. Further, Respondent agrees to issuance of this Consent Order and stipulates to the following:

1. Respondent, by signing the Stipulation, hereby waives:
 - (a) All rights to informal review pursuant to 220 CMR 69.05;
 - (b) All rights to a hearing pursuant to 220 CMR 69.06;

- (c) Any and all procedural rights available in connection with the issuance of the Consent Order;
 - (d) All rights to seek any type of administrative or judicial review of the Consent Order; and
 - (e) Any and all rights to challenge or contest the validity of the Consent Order.
2. Respondent expressly acknowledges that neither Respondent nor the Division has any intention to enter into a contract.
 3. The terms and provisions of this Consent Order and Stipulation shall be binding upon, and inure to the benefit of, Respondent and the Division and their successors in interest.
 4. Nothing in these Stipulated Terms shall preclude any proceedings brought by the Department to enforce the terms of the Consent Order, and nothing in these Stipulated Terms constitute, nor shall Respondent contend that they constitute, a waiver of any right, power, or authority of any other representative of the Commonwealth or an agency thereof to bring other actions deemed appropriate.

V. FINAL ORDER

1. This Consent Order and Stipulation is intended to be, and shall be construed to be, a final order of the Department issued pursuant to G.L. c. 25, § 5, having the force and effect of a remedial order, pursuant to 220 CMR 69.07(2), and expressly does not form, and may not be considered to form, a contract binding on the Division, the Department, or the Commonwealth of Massachusetts.

2. The terms of this Consent Order and Stipulation, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreement, or prior arrangements between the Division and the Respondent, whether oral or written.

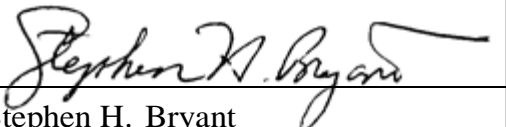
By Order of the Division

Richard C. Wallace, Director
Pipeline Engineering and Safety Division
Department of Public Utilities

Date: _____

The undersigned, duly authorized, stipulates to and acknowledges agreement to the terms herein.

BAY STATE GAS COMPANY D/B/A COLUMBIA GAS OF MASSACHUSETTS



Stephen H. Bryant
President
Columbia Gas of Massachusetts

Date: 11/30/2018

COMPLIANCE AGREEMENT
BETWEEN THE DEPARTMENT OF PUBLIC UTILITIES
AND BAY STATE GAS COMPANY D/B/A COLUMBIA GAS OF MASSACHUSETTS

D.P.U. 18-PL-03

Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“CMA”) agrees to take the following actions within the specified time periods:

1. Within 45 days of the effective date of this Order, CMA shall review all pressure regulator station records to ensure that all pressure regulator stations flow filters have been properly maintained.
2. Within 60 days of the effective date of this Order, CMA shall supply the Division with documentation of CMA’s findings for Item 1 above.
3. Within 45 days of the effective date of this Order, CMA shall review all the set points for all its pressure regulator stations to ensure that the worker, controller, and overpressure protection regulator devices or any other pressure safety devices are set to operate the distribution systems not to exceed the Maximum Allowable Operating Pressure.
4. Within 60 days of the effective date of this Order, CMA shall supply the Division with documentation that CMA has complied with Item 3 above.
5. Within 30 days of the effective date of this Order, CMA shall amend its Operating and Maintenance procedures to ensure that the pigging of transmission pipelines will not interfere with the safe operation of its pressure regulator stations.
6. Within 45 days of the effective date of this Order, CMA shall supply the Division with documentation of the amendments required by Item 5 above.
7. Within 30 days of the effective date of this Order, CMA shall supply the Division with a copy of its failure investigation for the [REDACTED] pressure regulator station failure as required by 49 C.F.R. § 192.617.
8. Within 60 days of the effective date of this Order, CMA shall identify and supply the Division with a list of those pressure regulator stations lacking/requiring natural gas filtration devices.
9. Within 365 days of the effective date of this Order, CMA shall install natural gas filtration devices at the four points of delivery (“POD”) stations identified as requiring filtration.
10. Within 380 days of the effective date of this Order, CMA shall supply the Division with documentation that CMA has complied with Item 9 above.
11. Within 30 days of the effective date of this Order, CMA shall provide to the Department a commitment letter regarding CMA’s implementation of API RP 1173, Pipeline Safety Management Systems (“PSMS”), pursuant to an agreement with the Department and or following any necessary technical sessions.

12. Within 30 days of the effective date of this Order, CMA shall schedule a technical session with the Department to discuss an SMS implementation plan and schedule.
13. Within 10 days of the technical session or series thereof, the SMS implementation plan and schedule shall be reduced to writing as a Memorandum of Understanding and made an addendum to this Compliance Agreement.
14. Within 90 days of the technical session or series thereof, and every 90 days thereafter, CMA shall submit a written status report to the Department regarding its SMS implementation plan and schedule.
15. Within 30 days of the effective date of this Order, CMA shall pay a civil penalty of \$75,000 to the Commonwealth of Massachusetts.